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MICI-BID-AR-2019-0148

**FIRST MONITORING REPORT ON THE CONSULTATION PHASE AGREEMENTS
RECONQUISTA RIVER BASIN ENVIRONMENTAL SANITATION PROGRAM**

**(AR-L1121)
(3256/OC-AR)**

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LINKS	
1.	Original request (expansion of the lower basin) https://www.iadb.org/document.cfm?id=EZSHARE-447996201-158
2.	Case file MICI-BID-AR-2019-0148 in the MICI-IDB Public Registry https://www.iadb.org/en/mici/complaint-detail?ID=MICI-BID-AR-2019-0148
3.	Consultation Phase Report https://www.iadb.org/document.cfm?id=EZSHARE-447996201-195
4.	Final agreement https://www.iadb.org/document.cfm?id=EZSHARE-447996201-195
5.	Reconquista River Basin Environmental Sanitation Program (AR-L1121) profile https://www.iadb.org/Document.cfm?id=EZSHARE-1557453903-2
6.	Loan proposal for the Reconquista River Basin Environmental Sanitation Program (AR-L1121) https://www.iadb.org/projects/document/EZSHARE-899088300-21
7.	Environmental and social management report for the Reconquista River Basin Environmental Sanitation Program (AR-L1121) https://www.iadb.org/Document.cfm?id=38151058
8.	Update of the environmental and social impact assessment for the Reconquista River Basin Environmental Sanitation Program (AR-L1121) as a whole https://www.iadb.org/Document.cfm?id=EZSHARE-735565658-207

ABBREVIATIONS

COMIREC	Reconquista River Basin Committee
MICI	Independent Consultation and Investigation Mechanism of the IDB Group
OPDS	Organismo Provincial para el Desarrollo Sostenible [Provincial Sustainable Development Agency]
PGICRR	Reconquista River Basin Comprehensive Management Plan
UCEPO	Works Coordination and Execution Unit of the Ministry of Infrastructure of the Province of Buenos Aires

EXECUTIVE SUMMARY

The Reconquista River Basin Environmental Sanitation Program (operation AR-L1121) is financed by the Inter-American Development Bank through a sovereign guaranteed US\$230 million multiple works loan operation with US\$57.5 million in local counterpart funding. The executing agency is the States and International Credit Agencies Coordination Branch of the Ministry of Economy of the Province of Buenos Aires, and the Ministry of Infrastructure's Works Coordination and Execution Unit (UCEPO) is the subexecuting agency responsible for technical coordination of the program. The operation was approved by the Board of Executive Directors on 23 July 2014 and is currently in implementation.

The program, which is the third financed by the IDB in the Reconquista River Basin, aims to restore the environmental quality of the basin by implementing a Reconquista River Basin Comprehensive Management Plan (PGICRR) that will prioritize investments targeting communities in areas where there are health risks. These works will help: (i) increase water, sewer, and wastewater treatment coverage; (ii) enhance integrated solid waste management, primarily by closing open air dumps; (iii) improve connectivity and access to outlying neighborhoods in hard-to-reach areas; and (iv) strengthen the operational management capacity of the Reconquista River Basin Committee (COMIREC) by developing management tools.

On 7 May 2019, the Independent Consultation and Investigation Mechanism (MICI) received a Request regarding the program from a group of individuals acting on their own behalf, who reside in municipios located in the Reconquista River Basin. The Requesters indicated that the basin's current, highly polluted state not only causes environmental harm, but also poses serious health risks for the residents of the islands of the Paraná Delta (San Fernando and Tigre), because what happens upstream affects the Luján, Carapachay, and Paraná rivers. According to the Requesters, their only water source has been severely affected by the pollution of the Reconquista River. Their concerns about the program relate to the potential harm that could arise from a possible intensification of adverse effects experienced as a result of their specific problems not being taken into account as part of a comprehensive approach to the basin. In particular, they state that the construction of the Drainage Canal/National Rowing Course changed the hydrological dynamics of the lower basin, bringing the Reconquista's waters to higher grounds than the original outfall. Lastly, the Requesters said this situation has caused harm to their health and quality of life because the delta has become the final destination of the discharge of these highly polluted waters.

The Request was declared eligible by the MICI on 3 August 2019 and was transferred to the Consultation Phase.¹ During the Assessment stage, IDB Management, UCEPO, COMIREC, and the Requesters expressed their willingness to begin a process to explore sustainable solutions to the concerns raised in the Request. In light of the political context,

¹ The [Eligibility Memorandum](#) found that only 9 of the 13 Requesters raised allegations that meet the definition of harm set forth in the MICI Policy. It is important to note that the MICI considers that the Request did not provide enough information to classify the Requesters from the upper and middle basins as parties who may be directly harmed, based on the definition of harm set forth in the MICI policy. Therefore, the processing of this Request focused on the allegations of potential direct harm raised by the other Requesters. During the Consultation Phase Assessment, two of the initial Requesters from the middle basin officially notified the MICI that they did not want to continue processing their allegations under the MICI framework. Later, two initial Requesters from the middle and upper basins notified the MICI that they also did not want to continue with the MICI process.

as Argentina was in the midst of its national, provincial, and municipal elections at that time, the Parties indicated that they preferred to participate in the process after the 27 October 2019 elections had taken place. Accordingly, the MICI organized and facilitated two dialogue sessions on 4 and 5 November 2019 at the IDB Country Office in the city of Buenos Aires. On 5 November, the Parties reached an agreement that set forth a series of measures designed to address the pollution concerns described in the Request. In particular, the Agreement includes interventions or works to mitigate pollution in the Drainage Canal. The document also lists specific locations for water quality monitoring stations, effluent mapping, and industrial oversight. Lastly, it includes the requirement that an analysis of the cumulative social and environmental impact on the delta be conducted for each work financed under the program. At the request of the Parties, the MICI performs monitoring tasks, and Eliana Spadoni facilitates monitoring meetings between the Parties on the Mechanism's behalf to observe progress toward fulfillment.

This report discusses the activities carried out in the first 14 months of monitoring. The COVID-19 pandemic and the restrictions imposed to mitigate its spread affected both execution and monitoring activities. A number of activities slated for the first half of 2020 had to be rescheduled. For that reason, and with the intention of providing a more detailed description of monitoring tasks and the implementation status, this report covers activities that were carried out between November 2019 and January 2021. Over this period, three MICI-facilitated meetings of the Monitoring Committee were held: one in-person session and two virtual sessions. The MICI also remained in constant contact with the Parties through bilateral meetings to ascertain and jointly evaluate progress on fulfillment of the commitments.

With regard to fulfillment, implementation of the actions set out in the Agreement has taken longer than the originally agreed upon time frames. These delays were caused by two challenging situations. First, the restrictions imposed in response to the COVID-19 pandemic limited travel as well as the availability of the Parties in the first few months of 2020. Second, design of the PGICRR and delivery of the hydrodynamic model of the basin, a key input for the alternatives analysis for the Drainage Canal works, ran into challenges related to the contract of the independent firm responsible for carrying out these activities. However, the Parties have a work plan and estimated deadlines for completion of its components. The Parties are to be commended on their commitment to and effort toward fulfilling the Agreement and following through with the MICI process despite the constraints that meeting exclusively via a virtual format poses for analyzing progress and sharing information.

The MICI noted that the independent firm delivered the hydrodynamic model to COMIREC in 2020. According to COMIREC, the analyses of that model required to prepare the alternatives analysis for the Drainage Canal works will be available in May 2021. The water quality monitoring plan, which covers 70% of the locations listed in the Agreement, is in the final stages of preparation, and an analysis of the cumulative impact on the delta is included in the environmental and social impact assessments for all works that obtained IDB Management's no objection in 2020. Lastly, UCEPO and COMIREC shared information on two water quality monitoring exercises conducted by COMIREC and the Water Authority in 2020 at several points in the basin, as well as a report on the inspections conducted by the Provincial Sustainable Development Agency at a number of industrial sites in the delta in 2019 and the first half of 2020.

Although IDB Management, UCEPO, COMIREC, and other agencies have made appreciable efforts to share information, it is important to establish long-term forums for

reporting water quality monitoring data from 100% of the agreed upon locations, as well as data on effluent mapping and industrial oversight at the locations listed in the Agreement. This is particularly important as preparation of the PGICRR is finalized and in order to ensure ongoing adherence to the agreed commitments beyond the time frames established in the MICI Policy.

In 2021, the MICI will continue with its monitoring activities by organizing and facilitating virtual monitoring sessions. If the circumstances of the pandemic allow, the MICI will field at least two missions to Tigre and La Plata in the second half of the year to facilitate in-person monitoring meetings and evaluate progress toward fulfillment of the Agreement. In November 2021, it will issue the Second Annual Monitoring Report, which will discuss the actions taken and the progress achieved.

I. BACKGROUND

- 1.1 The Reconquista River Basin Environmental Sanitation Program (operation AR-L1121) is financed by the Inter-American Development Bank (IDB) through a US\$230 million multiple works investment loan operation with US\$57.5 million in local counterpart funding. The Ministry of Infrastructure of the Province of Buenos Aires is responsible for technical coordination of the program, through its Works Coordination and Execution Unit (UCEPO). The operation was approved by the IDB Board of Executive Directors on 23 July 2014 and is currently in implementation.
- 1.2 The program was designed as a continuation of a series of interventions related to the basin and financed by the IDB. In 1993, the Board of Executive Directors approved the “Reconquista River Sanitation” project (operation AR0038, loan 797/OC-AR), completed in 2006. That financing focused on: (i) flood control; (ii) decreased industrial and household pollution; and (iii) improved management and regulation of the Reconquista River Basin. The legal framework for the creation of the Reconquista River Basin Committee (COMIREC) was also developed under that program. Later, the Province of Buenos Aires requested IDB support through a technical cooperation operation, “Program for the Sustainable Management of the Reconquista River Basin” (operation AR-T1083, technical cooperation funding ATN/OC-12571-AR), approved in December 2010. That operation sought to produce technical studies for a future program in the Reconquista River Basin. More specifically, it entailed the preparation of terms of reference and documents to develop the Reconquista River Basin Comprehensive Management Plan (PGICRR), as well as the development of an institutional strengthening plan for COMIREC.
- 1.3 The Reconquista River Basin Environmental Program (operation AR-L1121), the subject of the Request, was designed on the basis of two criteria: (i) to address the priorities for the basin identified by the Province of Buenos Aires, based on operation AR-T1083; and (ii) to supplement and expand the actions not carried out under loan 797/OC-AR. To address these criteria, the program has four components: (i) **water and sanitation**, which includes the construction and rehabilitation of water supply networks and sewer systems; (ii) **solid waste**, for the development of plans for the basin’s municipios and the closing and remediation of three open air dumps; (iii) **roadways, accessibility, and drainage**, for investments in road infrastructure and supplementary works; and (iv) **environmental and social management**, to finance environmental and social management actions, including the consulting assignment for preparing the PGICRR and industrial and urban pollution abatement actions to be given priority during the plan’s preparation, as well as implementation of water, sediment, and air quality monitoring and early warning systems.
- 1.4 On 7 May 2019, the Independent Consultation and Investigation Mechanism (MICI) received a Request regarding the program from six individuals acting on their own behalf, all of whom reside in municipios located in the Reconquista River Basin.² On 25 July 2019, the Requesters submitted an additional document to supplement the original Request, providing further details on the allegations of potential harm, and another eight residents joined the initial group of Requesters.

² During the eligibility phase, one of the individuals who had signed the Request decided to withdraw due to a potential conflict of interest, and another eight individuals added their names to the Request.

- 1.5 The Request alleged that the entire basin's current, highly polluted state not only causes environmental harm, but has also posed serious health risks for the residents of the islands of the Paraná Delta (San Fernando and Tigre), because what happens upstream affects the Luján, Carapachay, and Paraná rivers. According to the Requesters, their only water source has been severely affected by the pollution of the Reconquista River. The Requesters' concerns about the program relate to the potential harm that could arise from a possible intensification of adverse effects experienced in the lower basin as a result of their specific problems not being taken into account as part of a comprehensive approach to the basin. In particular, they state that the construction of the Drainage Canal/National Rowing Course changed the hydrological dynamics of the lower basin, bringing the Reconquista's waters to higher grounds than the original outfall. According to the information provided by the Requesters, this situation has caused harm to their health and quality of life because the delta has become the final destination of the discharge of these highly polluted waters. Rising water levels often cause floods in certain parts of the municipios on San Fernando and Tigre islands.
- 1.6 The Request was declared eligible on 3 August 2019. The [Eligibility Memorandum](#) found that only 9 of the 13 Requesters³ raised allegations compatible with the definition of harm set forth in the MICI Policy. Therefore, processing of the Request by the MICI would focus on potential noncompliance associated with those allegations in particular. With the issuance of the Eligibility Memorandum, the Request was transferred to the Consultation Phase.
- 1.7 During the Consultation Phase, IDB Management, UCEPO, COMIREC, and the Requesters expressed to the MICI their willingness to begin a process to explore sustainable solutions to the concerns raised in the Request. In light of the political context, as Argentina was in the midst of its national, provincial, and municipal elections at the time of the assessment, the Parties indicated that they preferred to participate in the process after the 27 October 2019 elections had taken place.
- 1.8 Accordingly, the MICI organized and facilitated two dialogue sessions on 4 and 5 November 2019 at the IDB Country Office in the city of Buenos Aires. During the first session, the Parties validated the rules for participation to ensure an effective use of time and maximize participation. They also validated the agenda of topics, which had been drafted with the Requesters during the Assessment stage and shared with UCEPO, COMIREC, and IDB Management for comments prior to the dialogue session. Lastly, the Parties began to address the topics of the validated agenda. During the second session on 5 November, the Parties reached an agreement that set forth a series of measures designed to address the concerns described in the Request. In particular, the Agreement includes actions to mitigate pollution in the Drainage Canal by creating a spillway for excess water or another initiative that addresses the problem. The Agreement also includes measures to

³ It is important to note that the MICI considers that the Request did not provide enough information to classify the Requesters from the upper and middle basins as parties who may be directly harmed, based on the definition of harm set forth in the MICI policy. Therefore, the processing of this Request focused on the allegations of potential direct harm raised by the other Requesters. During the Consultation Phase Assessment, two of the initial Requesters from the middle basin officially notified the MICI that they did not want to continue processing their allegations under the MICI framework. Later, two initial Requesters from the middle and upper basins notified the MICI that they also did not want to continue with the MICI process.

strengthen water quality monitoring and effluent mapping, as well as a requirement that an analysis of the cumulative impact on the delta be included for all works financed by the program.

- 1.9 The Parties asked the MICI to participate in the monitoring of the actions set forth in the Monitoring Plan and Timeline that was approved by the Board of Executive Directors on 16 December 2019 via the no objection procedure. Monitoring sessions are facilitated on the MICI's behalf by Eliana Spadoni, a member of the Mechanism's roster of facilitation experts who has worked on this case since she was selected in the Consultation Phase process.
- 1.10 Background information on case MICI-BID-AR-2019-0148 and public documentation prepared during the process can be consulted in the [case file](#) on the MICI Public Registry.⁴

II. MICI POLICY AUTHORITY FOR THE MONITORING OF AGREEMENTS

- 2.1 Paragraph 35 of the MICI Policy (document MI-47-6) states that, if the Parties have reached an Agreement during the Consultation Phase process, the MICI will develop, in consultation with the Parties, a monitoring plan and time frame for the agreement reached, when applicable. The duration of the plan is not to exceed five years.
- 2.2 Pursuant to paragraph 35 of the MICI Policy, the MICI will submit a monitoring report to the Board for information at least annually.

III. ACTIONS DURING THE REPORTED MONITORING PERIOD

- 3.1 In-person contact and missions to project sites are essential for the execution of activities during all stages of the Consultation Phase. The COVID-19 pandemic and the restrictions imposed to mitigate its spread affected both execution and monitoring activities. In particular, a number of activities slated for the first half of the year experienced delays and had to be rescheduled. For that reason, and with the intention of providing a more detailed description of monitoring tasks and the implementation status, this report covers activities that were carried out between November 2019 and January 2021.
- 3.2 In light of the situation, adaptation measures were implemented to limit, wherever possible, the impact on monitoring tasks in the first year of monitoring. The paragraphs below discuss the monitoring activities, which adhered to the guidelines set out in the "Guidance Note for Accessible and Secure Remote Case Management."
- 3.3 **Monitoring meetings.** Three field missions and three in-person monitoring meetings with the Parties had been planned for the first year of monitoring. As a result of the pandemic, only one in-person meeting and two virtual meetings could be held.
- 3.4 The first monitoring session was held in Tigre, Argentina, on 13 February 2020, and the Requesters, IDB Management, UCEPO, and COMIREC participated. The

⁴ The relevant public documents can also be accessed via the links section.

Deputy Secretary for Planning and Evaluation from the Provincial Ministry of Infrastructure and officials from the Water Authority and the Provincial Sustainable Development Agency (OPDS) also attended.

- 3.5 One objective of the session was to meet the new authorities who had taken office in December 2019. At that meeting, the Parties reaffirmed their commitment to fulfillment of the Agreement reached on 5 November 2019.
- 3.6 The second monitoring session had been planned for April 2020, but the meeting was held virtually on 26 May 2020 due to travel restrictions. The third monitoring meeting was held on 21 January 2021, also in a virtual format. The MICI made sure that the Parties could participate through Zoom, the platform preferred by the Requesters and validated by the other actors.

Table 1. Monitoring sessions

First monitoring session	Second monitoring session (videoconference)	Third monitoring session (videoconference)
13 February 2020	26 May 2020	21 January 2021

- 3.7 Every monitoring meeting was preceded by preparatory sessions with each of the Parties. Meetings were facilitated by Eliana Spadoni, and the Consultation Phase Coordinator and Case Officer were present.
- 3.8 **Periodic contact between the MICI and the Parties.** During the period observed, the MICI maintained weekly contact with each of the Parties through phone calls, WhatsApp messages, and email exchanges. It also facilitated various meetings at the request of the Parties when necessary. The MICI took advantage of these exchanges to solicit each Party's views on the status of fulfillment of the agreements, identify challenges for execution of the activities agreed upon, and propose possible actions to address them.
- 3.9 **Monitoring of media and relevant events.** During the period in question, the MICI regularly monitored the press, social media, online portals, and events to identify relevant contextual information that could have an impact on execution of the activities agreed upon and the monitoring of those activities.
- 3.10 **Status of fulfillment.** The MICI reports the following as of January 2021:
- 3.11 Spillway for excess water in the Drainage Canal or alternative intervention that remedies the concern. At the first monitoring session, COMIREC said the hydrodynamic model for the program was being finalized. According to the information provided, an analysis of this model is essential for simulating changes that might be caused by the alternative works to mitigate the alleged impact; hence, the model would produce inputs required for the alternatives analysis for the works. COMIREC said the blocks of the model needed for the analysis should be completed in April 2020. At that time, the Parties would meet again to analyze the inputs from the model and jointly evaluate next steps.
- 3.12 However, delivery of the model took longer than initially indicated due to the pandemic and issues related to the contract for development of the PGICRR. In fact,

- the MICI documented that the talks and negotiations with the independent firm responsible for delivery of the model took approximately nine months.
- 3.13 In January 2021, UCEPO and COMIREC reported they had received the model in December 2020. They said the studies needed for the examination of alternative courses of action would be finished in May 2021. At that time, the Parties could analyze alternatives to the works to be carried out.
- 3.14 Location of water quality monitoring stations. Over the course of the year, COMIREC said it was preparing a water quality monitoring project that included 70% of the locations listed in the Agreement. In January 2021, COMIREC reported that IDB Management had given its no objection and that final adjustments to the project were being made.
- 3.15 As for the remaining 30% of the listed locations, UCEPO said the Water Authority and the Luján River Basin Committee would regularly monitor water quality at those sites. To cover the commitments made as part of the MICI process, UCEPO would forward to the Requesters the water quality monitoring data prepared by those agencies during the monitoring stage.
- 3.16 In 2020, UCEPO and COMIREC shared a Water Authority report on monitoring of the Claro stream and a COMIREC report from May 2020 that included monitoring results from seven stations in the basin.
- 3.17 Effluent mapping and discharge control. In the period reviewed, UCEPO, upon agreement with the OPDS, forwarded data on inspections conducted by the OPDS at various industrial sites in the delta, including meat packing plants, in 2019 and the first half of 2020. The Water Authority shared, through UCEPO, the resolution creating the “Program for Liquid Effluent Management with Industrial Strengthening.” It also reported on the actions it took in 2020 at the January 2021 monitoring session.
- 3.18 Environmental and social impact on the delta. In December 2020, IDB Management reported that an analysis of the cumulative impact on the delta was included in the environmental and social impact assessments for each of the three works that had obtained no objections in 2020 (Tigre secondary network, Soto collector secondary sewer network, and Mariló primary and secondary sewer networks).

IV. CONCLUSIONS AND NEXT STEPS

- 4.1 In the period reviewed, the MICI observed the implementation of activities designed to fulfill the commitments reached in November 2019. However, implementation of the activities took place against the complex backdrop of the pandemic, which adversely affected the time frames established in the Agreement. In addition, certain contract-related challenges under the program hindered the delivery of key inputs for execution of certain components.
- 4.2 The restrictions imposed in response to the COVID-19 pandemic adversely affected travel for implementation and monitoring activities and limited the availability of the Parties in the early months of 2020. The design of the PGICRR and the development of the hydrodynamics model for the basin (a key input for fulfillment of the first commitment under the Agreement) also ran into challenges related to the contract of the independent firm responsible for their preparation.

- 4.3 Despite the foregoing, as of January 2021, the process has a work plan and estimated deadlines for the delivery of tangible results related to the commitments reached. The MICI commends the Parties for their efforts and commitment to making progress toward fulfillment of the Agreement. The MICI recognizes the efforts made by the Requesters to participate in the MICI process and their essential role in monitoring the commitments reached in 2019. It also emphasizes that the involvement and commitment of COMIREC, UCEPO, Water Authority, and OPDS staff and IDB Management have been key to following through with the MICI process.
- 4.4 As a cross-cutting issue for fulfillment of the agreement, it is important to establish long-term forums for reporting water quality monitoring data from 100% of the agreed upon locations, as well as data on effluent mapping and industrial oversight at the locations listed in the Agreement. This is particularly important as preparation of the PGICRR is finalized and in order to ensure ongoing adherence to the agreed commitments beyond the time frames established in the MICI Policy.
- 4.5 In 2021, the MICI will continue with its monitoring activities by organizing and facilitating virtual monitoring sessions. If the circumstances of the pandemic allow, the MICI will field at least two missions to Tigre and La Plata in the second half of the year to facilitate in-person monitoring meetings and evaluate progress toward fulfillment. The MICI will provide the Parties with ad hoc support as needed and will continue to evaluate any circumstances that could weaken the process. In November 2021, it will issue the Second Annual Monitoring Report, which will discuss the actions taken and the progress achieved.